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Turkey

Grain and Feed

Corn Crop update

2007

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Report Highlights:

Because of severe drought, Turkey's MY2007/08 corn crop is now forecast at 2.9 million MT. Imports are now forecast at 800,000 MT. Figures for MY2006/07 also have been revised slightly based on new information.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Ankara [TU1]
[TU]

Production

Turkish corn production in MY 2007/08 is now forecast at 2.9 MMT, about 22 percent lower than earlier estimates. Yields were reduced by severe drought, and planted area was also revised downward as explained below. Imports for MY2007/08 are now forecast at 800,000 MT. Production and planted area in MY 2006/07 were also revised slightly downward according to new information received from industry sources.

Drought conditions significantly reduced Turkey's MY 2007/08 corn production. Hot and dry weather not only reduced yields for both early and late crops, but also discouraged farmers from planting corn as a second crop, especially in the Aegean region. In addition, infestations of *Sesamia Nonagrioides*, the Mediterranean corn stalk borer, also reduced the yields especially in the Cukurova Region and in Antalya province. It is believed that this is a result of the ban on aerial crop spraying, implemented in 2006 to comply with EU directives.

High yields on irrigated land in Southeastern Anatolia partially offset the reduction in production elsewhere. Planted area in this region, currently limited to about 70,000 hectares, will increase in step with the increase in the area irrigated. Second-crop corn harvest currently is continuing in both Cukurova and Southeastern Anatolia. The harvest is expected to be completed in Cukurova in a few weeks, but is expected to continue until January or even February in Southeastern Anatolia.

Turkey Corn PS&D										
	2005	Revised		2006	Estimate		2007	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		09/2005	09/2005		09/2006	09/2006		09/2007	09/2007	MM/YYYY
Area Harvested	550	800	550	450	650	425	550	800	450	1000 HA
Beginning Stocks	431	431	431	398	398	398	698	398	598	1000 MT
Production	3700	3700	3700	3000	3000	2800	3700	3700	2900	1000 MT
MY Imports	67	67	67	1000	500	1100	200	0	800	1000 MT
TY Imports	61	218	61	1000	500	1100	200	0	800	1000 MT
TY Imp. from U.S.	37	15	37	0	0	350	0	0	300	1000 MT
Total Supply	4198	4198	4198	4398	3898	4298	4598	4098	4298	1000 MT
MY Exports	300	300	300	0	0	0	0	0	0	1000 MT
TY Exports	300	128	300	0	0	0	0	0	0	1000 MT
Feed Consumption.	2600	2600	2600	2800	2600	2800	3000	2700	3000	1000 MT
FSI Consump.	900	900	900	900	900	900	900	900	900	1000 MT
Total Consump.	3500	3500	3500	3700	3500	3700	3900	3600	3900	1000 MT
Ending Stocks	398	398	398	698	398	598	698	498	398	1000 MT
Total Distribution	4198	4198	4198	4398	3898	4298	4598	4098	4298	1000 MT
Yield	6.727	4.625	6.727	6.667	4.615	6.588	6.727	4.625	6.444	(MT/HA)

Consumption

MY 2007 total corn consumption is forecast to remain at the same level as previously estimated, at 3.9 MMT, of which 3 MMT will be used for feed and 900,000 MT for the starch and sweetener industry. Corn production for silage has been also increasing parallel to the developments in the livestock sector.

Trade

Turkey is now projected to import larger quantities of corn than previously estimated. Just how much is unclear: industry import estimates vary a lot at this point. Imports of corn by-products, mostly corn gluten feed as well as some DDGS from the United States and wheat

bran from Russia and Ukraine, have increased substantially, reducing the need for corn. It is also expected that availability of new crop wheat and barley will also reduce corn needs when their harvest starts late in May. FAS Ankara forecasts total MY 2007/08 imports at 800,000 MT. This forecast is subject to changes in world market prices for corn and availability and prices of substitute feed ingredient.

U.S. Exports of Corn By-Products to Turkey, Jan-Sep 2007 (Metric Tons)										
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Total
Dried Distillers Grains (DDGS)	0	0	0	0	0	0	0	17,600	27,575	45,175
Corn Gluten Feed	0	30,119	25,879	10,817	43,331	47,209	47,725	121,190	23,536	349,806
Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics										

Stocks

Corn carryover stocks are estimated to decrease significantly.

Policy

The published duty on corn imports had been 130 percent. In response to high prices for all feed grains, the Turkish government on September 25, 2007, authorized the Turkish Grain Board (TMO) to import up to 300,000 MT of corn at zero duty to regulate the market. So far TMO has bought 175,000 MT of corn from two tenders. Presumably recognizing that import needs are still larger, on November 28, 2007, the import duty on corn was reduced to 35 percent for all traders and millers.

See Nov. 28, 2007, GAIN report TU7066 *Sharp Reduction in Grain Import Duties*

[not yet released]